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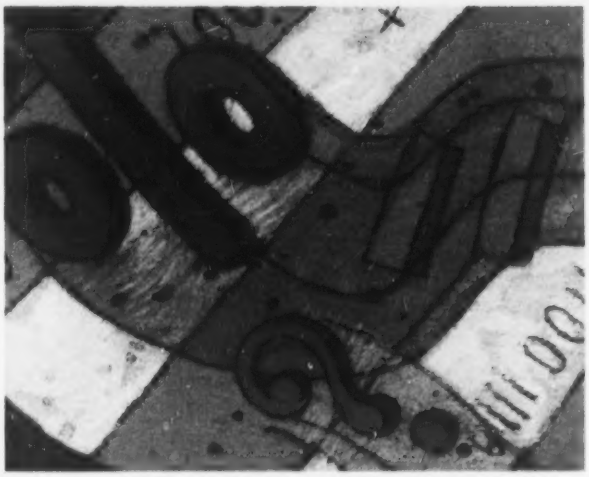
CDMA entry form . . . page 67

Folio:

JUNE 1, 1992 THE MAGAZINE FOR MAGAZINE MANAGEMENT $6.50

MAGAZINE ACQUISITIONS: WHAT BUYERS ARE LOOKING FOR NOW

The hands-off investor is history. Today, buyers want to be involved in their acquisitions, and they want purchases with synergy. We identify what categories are hot and how people with money are judging sellers. Plus, a guide to how buyers define fiscal fitness. 54



PRODUCTION SALARY SURVEY

Surprise! Production salaries rose. People worked longer and harder—with tighter deadlines and smaller staffs—but the jobs weren't without their rewards. 63

SMARTER SELLING BY ASSOCIATION

Can you outsell your for-profit competitors? Yes, say savvy sales professionals like John T. Adams (*above*). Association titles have special advantages—if they use them right. 60

ATTENTION! GOOD PR CHEAP

So you want to do your own publicity? George Simpson, a well-known magazine publicist, offers some tips on creating the maximum impact with the minimum effort so readers will see you in all the right spaces. The payoff? Hot-book status with readers *and* advertisers. 75

Contents

UPDATE

Rogue sub operators target small magazine companies 19
Tech giants seize initiative in new media 19
Will digital listings hurt *TV Guide*? 24
Court case clarifies rules on guarding trade secrets 25
Publishers fear "Fortress Europe" stance on lists 26
A new game at *Sports Illustrated* 26
Labels don't stick at *The New Yorker* 27

MAGAZINE STRATEGIES

Peterson's/COG Publishing builds a business around fast-changing hiring patterns. 39

FEATURES

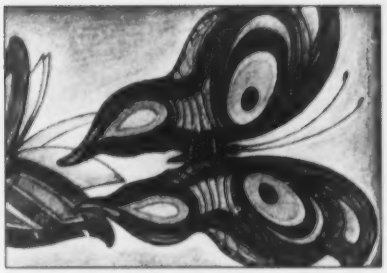
Magazine acquisitions: What do potential partners or buyers want to see in a prospectus these days? What magazine categories are hot? . 54
Association publishing: Taking on non-profit competitors in a tight market calls for fresh ad sales strategies and value-added offerings. 60
FOLIO:'s 1992 production salary survey: Some of your peers may have done better than you'd expect. See how you stack up. 63

COLUMNS

Green laws: How to prepare for environmental legislation coming from Washington.
By David Rockland 72
The ABCs of in-house PR: You can develop an affordable, high-return public relations strategy in-house—if you know a few tricks and understand the basics.
By George Simpson 75
Steering clear of production pitfalls: Creating and working with a steering committee during production upgrades can help narrow the gap between production theory and daily reality.
By Lynn Crimando 79

DEPARTMENTS

Joe Hanson: "Landmark" study a landmine. 6
FOLIO: Plus. 9
Briefings 15
Correction 26
Lists: Publishers beef up lists with census data 30
Magazine Watch: Is *Out* in? 46
Calendar 52
Letters 106
Editorial Index 106



Lean and green **72**
If the Resource Conservation and Recovery Act reauthorization passes Congress, magazines will be required to cut paper waste dramatically.

The graduate **39**
Bruce Matzner discovered the college market when he was an MBA candidate. He went on to make it his business.

Who's sitting in the driver's seat? **79**
A steering committee for choosing a new desktop system is a great idea. Just make sure you've got control of the wheel.

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FOLIO:'s 1992 Production Salary Survey

Some of your peers may have done better than you'd expect. See how you stack up.

By Suzanne Zelkowitz

The lament of one production manager, "In order to get a job in production/publishing (it took three months), I had to take a $5,000 salary cut. I'm happy to *have* a job!" was echoed, with variations, by numerous other production executives this year. Nevertheless, the downturn in the economy didn't pinch every production professional equally hard: Responses to FOLIO:'s exclusive annual production salary survey suggest that although production departments have taken a beating in terms of staff reductions, salaries have, for the most part, either held firm or risen. (Both production directors and production managers reported a 6 percent salary increase over 1991.)

Pressure on the remaining staff to cut costs was intense. Beyond the obvious cuts, like smaller books and reduced trim size, many production executives saw their bonuses disappear, took on additional responsibilities—sometimes without extra compensation—and were offered comp time rather than overtime pay. Some indicated that overtime was actively discouraged. There were frequent reports of salary and hiring freezes and scattered remarks that some staff positions were cut back to part-time. Morale is, understandably, down.

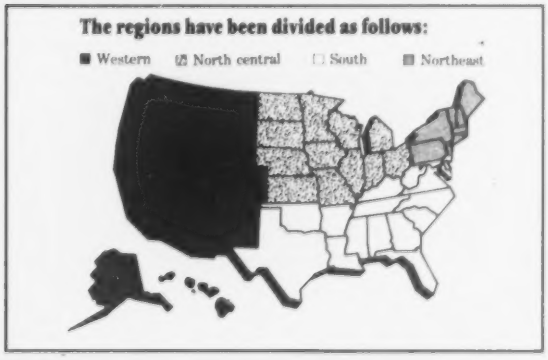
On the positive side, production executives continue to see themselves as the last bulwark of quality and feel a strong commitment to maintain high production standards, even while negotiating harder with vendors and pushing up issue deadlines to accommodate advertisers. One production director noted, "We are now taking a more disciplined approach to reviewing quality." Cost-cutting without sacrificing quality was the watchword. "All available funds go into the magazine—there hasn't been a raise in two years. Subscribers, however, would think this book is thriving," maintained a manager. And a production director who held that "the downturn has actually improved the quality of our publications because we have upgraded to compete harder for ad dollars" found his observation bolstered by one production manager who crowed: "While we scrimped on product (using more black and white), we almost immediately dug deeper into our pockets (improving paper, art and editorial) and advertisers came back. It was *amazing*."

Methodology

Four hundred ninety-nine of the 1,085 production professionals who received questionnaires responded to FOLIO:'s eighth annual production salary survey, resulting in an overall response rate of 46 percent. Four hundred and seventy-six responses (44 percent) contained sufficient information to be used for tabulation. The survey was conducted through two mailing efforts in January 1992. Participants were asked to supply data reflecting 1992 earnings; if exact figures were unavailable, they were requested to estimate.

In some cases, respondents did not give an exact figure, but gave an expected range instead. Here the mean was used for tabulation.

About 52 percent of the mailing was sent to production directors and 48 percent to production managers. Of the tabulated responses, the response rate among managers was more than twice as high as directors (58 percent versus 27 percent). About 51 percent of the sample was sent to trade publications, with the balance to consumer magazines. And last, about 65 percent of the sample in each category was drawn from magazines with less than 100,000 in circulation, while 35 percent came from magazines with more than 100,000 circulation.



Production director: Salary

Production director (may be called VP of production): Negotiates printing, typesetting and engraving contracts; establishes production schedules. Oversees production managers and advises on technical matters; is directly responsible for quality control.

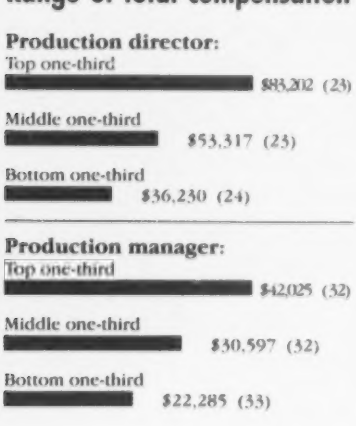
Faster turnaround; fatter paycheck. Production directors on weeklies and biweeklies earn 32 percent more salary, overall, than those on monthlies.

Average salaries (The number of respondents is in parentheses.)		% increase from '91 to '92
All respondents	$48,816 (162)	5.8%
Business	$46,597 (84)	6.6
Consumer	$51,274 (74)	5.0
Top one-third	$68,571 (54)	
Middle one-third	$45,778 (54)	
Bottom one-third	$32,098 (54)	

	Average	Average business	Average consumer
By region:			
Northeast	$53,713 (58)	$50,881 (34)	$57,655 (22)
South	46,362 (37)	38,694 (19)	55,324 (17)
North central	46,411 (30)	45,619 (17)	47,817 (12)
Western	44,718 (34)	44,958 (12)	44,586 (22)
By sex:			
Male	$57,106 (62)	$53,378 (28)	$60,176 (34)
Female	43,676 (100)	43,206 (56)	43,708 (40)
By age:			
29 or less	$36,434 (22)	$31,987 (14)	$44,857 (7)
30-39	43,632 (69)	40,351 (36)	47,344 (32)
40-49	54,160 (46)	55,529 (24)	52,084 (20)
50 or more	64,184 (25)	68,100 (10)	61,573 (15)
By years in production:			
Up to 10	$41,798 (80)	$40,612 (46)	$43,097 (31)
11-20	49,211 (51)	48,304 (23)	49,584 (27)
More than 20	66,750 (30)	63,071 (14)	69,969 (16)
Eligible for bonus/incentive:			
Yes	$51,614 (74)	$51,587 (33)	$51,503 (40)
No	46,462 (88)	43,368 (51)	51,005 (34)
Responsible for:			
One magazine	$46,187 (56)	$42,493 (24)	$48,997 (30)
More than one magazine	50,205 (106)	48,239 (60)	52,827 (44)
By employees supervised:			
None one	$38,815 (36)	$37,456 (16)	$39,911 (19)
2-5	44,426 (73)	41,753 (40)	47,374 (32)
6-10	55,270 (22)	49,344 (10)	61,773 (11)
More than 10	67,672 (29)	66,375 (16)	70,042 (12)
By circulation:*			
Up to 49,999	$37,500 (48)	$37,265 (35)	$38,000 (12)
50,000-99,999	43,142 (35)	45,216 (24)	38,180 (10)
100,000 or more	58,205 (79)	60,988 (25)	56,855 (52)
By frequency:*			
Weekly/biweekly	$62,432 (24)	$56,309 (15)	$76,750 (8)
Monthly	47,120 (92)	44,065 (54)	51,300 (35)
Other	45,104 (46)	46,000 (15)	44,670 (31)
By total pages produced annually:*			
Up to 999	$43,404 (64)	$42,901 (32)	$44,041 (31)
1,000-1,499	46,877 (31)	45,962 (21)	48,800 (10)
1,500-2,999	53,640 (32)	50,998 (9)	54,875 (20)
3,000 or more	57,809 (28)	53,134 (16)	64,042 (12)

***Refers to the largest-circulation magazine on which respondent works.**

Range of total compensation



Production manager: Salary

Production manager: Directly responsible for daily production operations, including publication paste-up, quality control and maintaining production schedules. Is liaison with printing plant. May traffic advertising and editorial materials.

Holding steady with last year's salary results, male production managers still outpace their female peers by 16 percent.

Average salaries (The number of respondents is in parentheses.)		% increase from '91 to '92
All respondents	$31,321 (314)	6.4%
Business	$30,708 (185)	6.2
Consumer	$32,329 (124)	6.6
Top one-third	$42,034 (104)	
Middle one-third	$30,001 (105)	
Bottom one-third	$22,031 (105)	

	Average	Average business	Average consumer
By region:			
Northeast	$34,734 (114)	$34,087 (67)	$36,042 (45)
South	29,515 (74)	28,770 (49)	30,976 (25)
North central	27,197 (72)	26,159 (46)	29,035 (26)
Western	32,312 (52)	34,842 (21)	30,627 (28)
By sex:			
Male	$34,698 (90)	$35,471 (49)	$33,619 (40)
Female	29,964 (224)	28,992 (136)	31,714 (84)
By age:			
29 or less	$27,446 (113)	$26,995 (69)	$28,227 (43)
30-39	32,677 (121)	32,817 (70)	32,454 (48)
40-49	34,083 (54)	31,671 (28)	37,308 (25)
50 or more	36,112 (26)	35,244 (18)	38,063 (8)
By years in production:			
Up to 10	$29,307 (231)	$28,731 (139)	$30,276 (88)
11-20	35,795 (64)	34,826 (35)	37,107 (28)
More than 20	40,829 (17)	42,860 (10)	37,929 (7)
Eligible for bonus/incentive:			
Yes	$29,677 (104)	$29,369 (59)	$30,081 (45)
No	32,135 (210)	31,336 (126)	33,609 (79)
Responsible for:			
One magazine	$31,314 (133)	$31,080 (81)	$31,679 (52)
More than one magazine	31,151 (174)	30,155 (100)	32,749 (69)
By employees supervised:			
None/one	$29,174 (183)	$29,134 (120)	$29,303 (62)
2-5	33,096 (88)	32,001 (42)	34,195 (43)
6-10	37,818 (22)	40,156 (9)	36,200 (13)
More than 10	47,000 (8)	53,667 (3)	43,000 (5)
By circulation:*			
Up to 49,999	$28,884 (128)	$29,466 (100)	$26,788 (26)
50,000-99,999	30,781 (70)	32,049 (46)	28,350 (24)
100,000 or more	34,122 (112)	31,886 (37)	35,429 (72)
By frequency:*			
Weekly/biweekly	$34,514 (42)	$34,000 (26)	$36,307 (15)
Monthly	30,952 (194)	29,984 (119)	32,572 (71)
Other	30,526 (77)	30,743 (39)	30,304 (38)
By total pages produced annually:*			
Up to 999	$29,307 (125)	$28,769 (80)	$30,323 (43)
1,000-1,499	28,969 (68)	29,037 (39)	28,979 (28)
1,500-2,999	32,388 (72)	30,151 (35)	34,879 (36)
3,000 or more	40,221 (34)	40,892 (23)	38,700 (10)

***Refers to the largest-circulation magazine on which respondent works.**

Range of average bonus/incentive

Production director:

Top one-third — $9,109 (23)

Middle one-third — $4,065 (23)

Bottom one-third — $1,520 (24)

Production manager:

Top one-third — $3,508 (32)

Middle one-third — $1,272 (32)

Bottom one-third — $483 (33)

(CONTINUED ON PAGE 71)

(CONTINUED FROM PAGE 66)

Average annual total compensation*

	Production director	Production manager
Received bonus/incentive:		
Yes	$57,278 (70)	$31,539 (97)
No	46,462 (88)	31,336 (126)
By magazine type:		
Consumer	$58,454 (36)	$32,102 (42)
Business	55,670 (33)	31,109 (55)
By region:		
Northeast	$71,326 (25)	$34,951 (28)
South	51,390 (10)	26,740 (25)
North central	53,098 (17)	29,809 (27)
Western	43,103 (17)	36,217 (16)
By sex:		
Male	$67,659 (29)	$34,480 (35)
Female	49,935 (41)	29,879 (62)
By age:		
Up to 39	$48,124 (40)	$30,079 (80)
40 or more	69,483 (30)	38,411 (17)
By years in production:		
Up to 10	$50,977 (28)	$30,277 (76)
More than 10	61,478 (42)	35,788 (20)
Responsible for:		
One magazine	$53,522 (19)	$31,235 (32)
More than one magazine	58,677 (51)	31,875 (63)
By employees supervised:		
None/one	$39,402 (9)	$28,348 (52)
2-5	46,029 (27)	35,637 (32)
More than 5	72,226 (32)	36,105 (10)
By circulation:**		
Up to 49,999	$42,029 (14)	$29,464 (43)
50,000-99,999	42,783 (15)	30,990 (24)
100,000 or more	67,788 (41)	34,417 (27)
By frequency:**		
Weekly/biweekly	$76,262 (12)	$35,144 (12)
Monthly	53,547 (42)	31,464 (59)
Other	52,834 (16)	29,928 (25)
By average total pages produced annually:**		
Up to 999	$53,399 (25)	$29,997 (36)
1,000-1,499	51,579 (17)	29,196 (21)
1,500-2,999	59,326 (11)	34,014 (31)
3,000 or more	68,657 (13)	38,440 (5)

Average annual bonus/incentive*

	Production director	Production manager
Average bonus:	$4,850 (70)	$1,741 (97)
By magazine type:		
Consumer	$5,382 (36)	$1,729 (42)
Business	4,083 (33)	1,750 (55)
By region:		
Northeast	$6,620 (25)	$1,722 (28)
South	4,740 (10)	1,592 (25)
North central	4,220 (17)	1,360 (27)
Western	2,932 (17)	2,673 (16)
By sex:		
Male	$6,717 (29)	$2,060 (35)
Female	3,529 (41)	1,561 (62)
By age:		
Up to 39	$4,265 (40)	$1,489 (80)
40 or more	5,630 (30)	2,926 (17)
By years in production:		
Up to 10	$4,625 (28)	$1,633 (76)
More than 10	5,000 (42)	2,113 (20)
Responsible for:		
One magazine	$5,837 (19)	$2,135 (32)
More than one magazine	4,482 (51)	1,586 (63)
By employees supervised:		
None/one	$2,522 (9)	$1,696 (52)
2-5	3,555 (27)	1,952 (32)
More than 5	6,541 (32)	1,645 (10)
By circulation:**		
Up to 49,999	$3,846 (14)	$1,618 (43)
50,000-99,999	2,143 (15)	1,588 (24)
100,000 or more	6,183 (41)	1,958 (27)
By frequency:**		
Weekly/biweekly	$7,535 (12)	$1,935 (12)
Monthly	3,984 (42)	1,351 (59)
Other	5,109 (16)	2,518 (25)
By average total pages produced annually:**		
Up to 999	$4,470 (25)	$1,459 (36)
1,000-1,499	4,285 (17)	1,568 (21)
1,500-2,999	5,435 (11)	2,212 (31)
3,000 or more	5,969 (13)	1,840 (5)

*** The number of respondents is in parentheses; includes only the individuals who reported receiving both salary and bonus.**
****Refers to the largest-circulation magazine on which respondent works.**